

STATE OF MICHIGAN  
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter of the application of	)	
<b>CONSUMERS POWER COMPANY</b>	)	
for authority to increase its rates for	)	Case No. U-10685
the sale of electricity.	)	
_____	)	
	)	
In the matter of the application of	)	
<b>CONSUMERS POWER COMPANY</b> for	)	
accounting and ratemaking approval of changes	)	Case No. U-10754
in plant accounting and depreciation practices	)	
for electric and common utility plant.	)	
_____	)	
	)	
In the matter of the application of	)	
<b>CONSUMERS POWER COMPANY</b> for approval	)	
of a special competitive services rate, for certain	)	Case No. U-10787
accounting and ratemaking approvals in connec-	)	
tion with that service, and for other relief.	)	
_____	)	

At the May 22, 1997 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. John G. Strand, Chairman  
Hon. John C. Shea, Commissioner  
Hon. David A. Svanda, Commissioner

**ORDER**

On November 14, 1996, the Commission issued an order in these consolidated cases approving, with modifications, a settlement agreement filed by Consumers Energy Company<sup>1</sup> (Consumers) and the Commission Staff. Subsequently, various parties filed petitions for rehearing. On April 10, 1997, the Commission issued an order addressing those petitions. The Commission attached tariff sheets to the order and directed Consumers to file tariff sheets within 14 days in conformity with the order. To assist the Commission in

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<sup>1</sup>Effective March 11, 1997, Consumers Power Company became Consumers Energy Company.

assuring that the filed tariff sheets conformed to the order and implemented the intent of the order, the Commission provided the parties 14 days to review and comment on the tariff sheets that Consumers filed.

On April 24, 1997, Consumers filed proposed tariff sheets. On May 8, 1997, Energy Michigan filed comments. On May 16, 1997, Consumers filed a response.

The Commission has reviewed Energy Michigan's comments and Consumers' response. With one exception, discussed below, the Commission concludes that the tariff sheets that Consumers filed do not require modification because the tariff sheets are consistent with those attached to the order and implement the intent of the order. Energy Michigan's comments seek to clarify provisions that are sufficiently clear, raise issues that Energy Michigan and other parties could have raised at a much earlier time in these proceedings, or raise issues that are better resolved in the context of an actual dispute.

The one change that the Commission finds should be made relates to the requirement of reciprocity by third-party suppliers. The Commission has previously ruled that a utility providing power through an unaffiliated marketer would not be subject to that requirement. November 14, 1996 order, pp. 90-91; April 10, 1997 order, pp. 11-12. That limitation on the reciprocity requirement is not clearly expressed by the tariff. Therefore, the Commission will require that Consumers add the following language to the first sentence of Sheet No. D-11.00, D10.C: “, consistent with the Commission's November 14, 1996 and April 10, 1997 orders in Cases Nos. U-10685, U-10754, and U-10787.”

The Commission FINDS that:

- a. Jurisdiction is pursuant to 1909 PA 106, as amended, MCL 460.551 et seq.; MSA 22.151 et seq.; 1919 PA 419, as amended, MCL 460.51 et seq.; MSA 22.1 et seq.; 1939 PA 3, as amended, MCL 460.1 et seq.; MSA 22.13(1) et seq.; 1969 PA 306, as amended, MCL 24.201 et seq.; MSA 3.560(101) et seq.; and the Commission's Rules of Practice and Procedure, as amended, 1992 AACCS, R 460.17101 et seq.
- b. The filed tariff sheets should be modified in only one respect.

THEREFORE, IT IS ORDERED that:

A. Consumers Energy Company shall add the following language to the first sentence of Sheet No. D-11.00, D10.C: “, consistent with the Commission’s November 14, 1996 and April 10, 1997 orders in Cases Nos. U-10685, U-10754, and U-10787.”

B. As required by the April 10, 1997 order, within 14 days of the date of this order, Consumers Energy Company shall file with the Federal Energy Regulatory Commission all filings needed to implement Rate DA and shall use its best efforts to obtain prompt approval, if needed.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26; MSA 22.45.

MICHIGAN PUBLIC SERVICE COMMISSION

John G. Strand  
Chairman

( S E A L )

John C. Shea  
Commissioner

David A. Svanda  
Commissioner

By its action of May 22, 1997.

Dorothy Wideman  
Executive Secretary

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MICHIGAN PUBLIC SERVICE COMMISSION

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Chairman

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Commissioner

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By its action of May 22, 1997.

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tion with that service, and for other relief.	)	
_____	)	

Suggested Minute:

“Adopt and issue order dated May 22, 1997 addressing the comments filed on Consumer Energy Company’s Rate DA tariff sheets and requiring Consumers Energy Company to make any needed filings with the Federal Energy Regulatory Commission, as set forth in the order.”